

January 2020



Farm Service Agency **Electronic News Service**

# NEWSLETTER

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## SED's Comments

Thank you to all who took the time to vote across Hawaii and the Pacific Basin in the 2019 County Committee elections. Producers have selected candidates to lead, serve and represent their local areas. I want to take this opportunity to thank all of the following farmers and ranchers for stepping up and serving their communities by being on their County Committees.

The newly elected members are:

Serving Hawaii County will be Roger Uchima. His alternate is Minh Voss.

Serving Maui County will be Debra Kelly.

Serving Honolulu County will be Thoune Hongphao, Verna Eguires and Jamie Barton.

Serving Kauai County will be Lincoln Ching.

Serving Guam will be Leroy Barber.

Serving the Commonwealth of the Northern Mariana Islands will be Ramon Camacho.

COC members play a critical role in the day-to-day operations of FSA, making important decisions about how federal farm programs are administered locally. They assist the agency in how to best serve the needs of agriculture in their community.

AL Frenzel, State Executive Director  
USDA Farm Service Agency Hawaii & Pacific Basin

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## Hawaii & Pacific Basin FSA State Office

PJKK Federal Building  
P.O. Box 50065  
300 Ala Moana Blvd, Rm 5-108  
Honolulu, HI 96850

Phone: 808-541-2600 x 2  
FAX: 855-356-9493

**State Executive Director:**  
AL Frenzel

**Chief Program Specialist:**  
Patrick Lewis

**Chief, Farm Loan Program:**  
Theresa Correa

### Upcoming County Committee Meetings:

Hawaii County Committee  
March 13, 2020: 9:00 a.m.

Honolulu County Committee  
March 20, 2020: 3:30 p.m.

Maui County Committee  
February 20, 2020: 9:00 a.m.

Kauai County Committee  
February 19, 2020: 9:00 a.m.

Guam County Committee  
February 19, 2020: 9:00 a.m.

CNMI County Committee  
February 19, 2020: 11:00 a.m.

Contact the County Office to confirm meeting date and time, as budget constraints may limit the County

## Changes in Your Farming Operation

If you have bought or sold land, or if you have picked up or dropped rented land from your operation, make sure you report the changes to the office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring. Update signature authorization when changes in the operation occur. Producers are reminded to contact the office if there is a change in operations on a farm so that records can be kept current and accurate. It is your responsibility to report changes in your farming operation to NRCS, in writing, if you participate in NRCS programs.

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## Payments to Deceased Producers

In order to claim a Farm Service Agency (FSA) payment on behalf of a deceased producer, all program conditions for the payment must have been met before the applicable producer's date of death.

If a producer earned a FSA payment prior to his or her death, the following is the order of precedence for the representatives of the producer:

- administrator or executor of the estate
- the surviving spouse
- surviving sons and daughters, including adopted children
- surviving father and mother
- surviving brothers and sisters
- heirs of the deceased person who would be entitled to payment according to the State law

In order for FSA to release the payment, the legal representative of the deceased producer must file a form FSA-325, to claim the payment for themselves or an estate. The county office will verify and determine that the application, contract, loan agreement, or other similar form requesting payment issuance, was signed by the applicable deadline for such form, by the deceased or a person legally authorized to act on their behalf at that time of application.

If the application, contract or loan agreement form was signed by someone other than the participant who is deceased, FSA will determine whether the person submitting the form has the legal authority to submit the form to compel FSA to pay the deceased participant.

Committee's ability to meet each month.

[Click here for a list of County Offices, contact numbers and addresses.](#)

**Website for Hawaii and Pacific Basin FSA:**

[www.fsa.usda.gov/hi](http://www.fsa.usda.gov/hi)

Payments will be issued to the respective representative's name using the deceased program participant's tax identification number. Payments made to representatives are subject to offset regulations for debts owed by the deceased.

FSA is not responsible for advising persons in obtaining legal advice on how to obtain program benefits that may be due to a participant who has died, disappeared or who has been declared incompetent.

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## Filing CCC-941 Adjusted Gross Income (AGI) Certifications

Many producers have experienced delays in receiving program payments because they have not filed form CCC-941, *Adjusted Gross Income Certification*. No program payment can be issued to an eligible producer, including landowners who share in the crop, without a valid CCC-941 on file in the county office.

Producers without a valid CCC-941 on file for the applicable crop year will not receive payments. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form.

FSA can accept the CCC-941 for 2017 through 2020. Unlike the past, producers must have the CCC-941 certifying their AGI compliance before any payments can be issued.

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## Communication is Key in Lending

Farm Service Agency (FSA) is committed to providing our farm loan borrowers the tools necessary to be a success. A part of ensuring this success is providing guidance and counsel from the loan application process through the borrower's graduation to commercial lending institutions. While it is FSA's commitment to advise borrowers as they identify goals and evaluate progress, it is crucial for borrowers to communicate with their farm loan staff when changes occur. It is the borrower's responsibility to alert FSA to any of the following:

- Any proposed or significant changes in the farming operation;
- Any significant changes to family income or expenses;
- The development of problem situations;
- Any losses or proposed significant changes in security

In addition, if a farm loan borrower cannot make payments to suppliers, other creditors, or FSA on time, contact your farm loan staff immediately to discuss loan servicing options.

For more information on FSA farm loan programs, visit [www.fsa.usda.gov](http://www.fsa.usda.gov).

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## Livestock Inventory Records

Producers are reminded to keep updated livestock inventory records. These records are necessary in the event of a natural disaster.

When disasters strike, the USDA Farm Service Agency (FSA) can assist producers who suffered excessive livestock death losses and grazing or feed losses due to eligible natural disasters.

To participate in livestock disaster assistance programs, producers will be required to provide verifiable documentation of death losses resulting from an eligible adverse weather event and must submit a notice of loss to their local FSA office within 30 calendar days of when the loss of livestock is apparent. For grazing or feed losses, producers must submit a notice of loss to their local FSA office within 30 calendar days of when the loss is apparent and should maintain documentation and receipts.

Producers should record all pertinent information regarding livestock inventory records including:

- Documentation of the number, kind, type, and weight range of livestock
- Beginning inventory supported by birth recordings or purchase receipts;

For more information on documentation requirements, contact your local FSA office.

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## **USDA Microloans Help Farmers Purchase Farmland and Improve Property**

*Producers, Including Beginning and Underserved Farmers, Have a New Option to Gain Access to Land*

The U.S. Department of Agriculture (USDA) is offering farm ownership microloans, creating a new financing avenue for farmers to buy and improve property. These microloans are especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

The microloan program has been hugely successful, providing more than 16,800 low-interest loans, totaling over \$373 million to producers across the country. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment, and living expenses since 2013. Seventy percent of loans have gone to new farmers.

Now, microloans will be available to also help with farm land and building purchases, and soil and water conservation improvements. FSA designed the expanded program to simplify the application process, expand eligibility requirements and expedite smaller real estate loans to help farmers strengthen their operations. Microloans provide up to \$50,000 to qualified producers and can be issued to the applicant directly from the USDA Farm Service Agency (FSA).

To learn more about the FSA microloan program visit [www.fsa.usda.gov/microloans](http://www.fsa.usda.gov/microloans), or contact your local FSA office.

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## **USDA Announces Streamlined Guaranteed Loans and Additional Lender Category for Small-Scale Operators**

*Options Help More Beginning, Small and Urban Producers Gain Access to Credit*

Producers can apply for a streamlined version of USDA guaranteed loans, which are tailored for smaller scale farms and urban producers. The program, called EZ Guarantee Loans, uses a simplified application process to help beginning, small, underserved and family farmers and ranchers apply for loans of up to \$100,000 from USDA-approved lenders to purchase farmland or finance agricultural operations.

A new category of lenders will join traditional lenders, such as banks and credit unions, in offering USDA EZ Guarantee Loans. Microlenders, which include Community Development Financial

Institutions and Rural Rehabilitation Corporations, will be able to offer their customers up to \$50,000 of EZ Guaranteed Loans, helping to reach urban areas and underserved producers. Banks, credit unions and other traditional USDA-approved lenders, can offer customers up to \$100,000 to help with agricultural operation costs.

EZ Guarantee Loans offer low interest rates and terms up to seven years for financing operating expenses and 40 years for financing the purchase of farm real estate. USDA-approved lenders can issue these loans with the Farm Service Agency (FSA) guaranteeing the loan up to 95 percent.

More information about the available types of FSA farm loans can be found at [www.fsa.usda.gov/farmloans](http://www.fsa.usda.gov/farmloans) or by contacting your local FSA office.

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## January 2020 Interest Rates

\*Interest rates are announced at the beginning of each month.

[Click here to find notification of current FSFL and commodity loan interest rates](#)

[Click here to view current Farm Loan interest rates](#)

Farm Loan Interest Rates	January 2020
Farm Operating - Direct	2.625%
Farm Operating - Microloan	2.625%
Farm Ownership - Direct	3.250%
Farm Ownership - Microloan	3.250%
Farm Ownership - Direct, Joint Financing	2.500%
Farm Ownership - Down Payment	1.500%
Emergency Loan - Amount of Actual Loss	3.625%
Farm Storage Facility Loans (FSFL)	January 2020
3-year FSFL	1.625%
5-year FSFL	1.625%
7-year FSFL	1.750%
10-year FSFL	1.875%
12-year FSFL	1.875%
9-Month Commodity Loans	January 2020
Marketing Assistance Loan	2.500%

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## Sign Up Today for Text Alerts from FSA

*Subscribers Can Receive Important Program Reminders and Updates*

USDA Farm Service Agency (FSA) farmers and ranchers now can receive notifications from their county office through text messages on their cell phone.

Whether producers are in the field, on a tractor or even on horseback, this service enables FSA customers and stakeholders to receive notifications while on the go. Producers will receive text messages regarding important program deadlines, reporting requirements, outreach events and updates.

Producers can text the **short codes** below to FSANOW (372-669) to subscribe to text message alerts from their respective counties. Standard text messaging rates apply. Contact your wireless carrier for details associated with your particular data plan. Participants may unsubscribe at any time.

Hawaii County : **HPBHawaii**  
Honolulu County: **HPBHonolulu**  
Kauai County: **HPBKauai**  
Maui County: **HPBMaui**

Please contact your [local FSA office](#) if you have questions regarding FSA's email news service or the text message option.

USDA Farm Service Agency (FSA) farmers and ranchers now can receive notifications from their county office through text messages on their cell phone.

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USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).

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